

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3062 – SB 2986

February 15, 2012

SUMMARY OF AMENDMENT (012989): Deletes all language after the enacting clause. Prohibits any local education agency (LEA) operating a virtual school or virtual education program from exceeding the teacher-pupil ratio for virtual schools established by the State Board of Education (SBE). Requires that every student has the same time available for learning opportunities in a virtual school or education program. Requires the LEA to allow students within a virtual school or education program to move at their own pace but requires students to demonstrate mastery, competency, and completion of a course before receiving credit. Authorizes students who successfully complete a course or grade level more than 30 days before the end of the school term to begin work in the next appropriate course or grade. Requires the academic program to end at the end of the academic year. Requires virtual schools to provide materials and technology access to families with a student enrolled in a virtual school. Specifies that, at a minimum, access to technology for the student means availability of a physical computer lab with a computer, printer, and internet connection at regularly scheduled times.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Exceeds \$13,125,600/Recurring Beginning in
FY13-14 and Subsequent Fiscal Years*

Other Fiscal Impact – The number of LEAs that do not have or will need to expand computer labs is unknown. The Department of Education estimates that the one-time increase in local expenditures for one computer lab will be \$36,000 for computers, printers, and internet connection. The total increase in one-time local expenditures is not quantifiable but, if needed, will be mandatory.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Not Significant

Increase Local Expenditures – Not Significant

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Other Fiscal Impact – The number of LEAs that do not have or will need to expand computer labs is unknown. The Department of Education estimates that the one-time increase in local expenditures for one computer lab will be \$36,000 for computers, printers, and internet connection. The total increase in one-time local expenditures is not quantifiable but, if needed, will be mandatory.

Assumptions applied to amendment:

- Some LEAs may need to open, or expand existing, computer labs as a result of more students taking online courses in an LEA computer lab. It is assumed that this expansion will take place in the fall or spring of FY12-13. DOE estimates that one computer lab will increase one-time local expenditures \$36,000 for computers, printers, and an internet connection.
- The number of LEAs that will incur this expense is unknown. The total increase in one-time local government expenditures is not quantifiable. However, any increase in local expenditures will be mandatory.
- Requirements regarding student-teacher ratios and length of learning time will not have a significant fiscal impact on state or local government.
- The number of students who will graduate early as a result of moving into the next grade or course level in a virtual learning environment will be not significant.
- No new virtual schools will open as a direct result of this bill.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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